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IN THE

Supreme Court of the United States

OCTOBER TERM, 1964

No. 367

AMP INCORPORATED,

Petitioner,

—v.—

BURNDY CORPORATION and AIRCRAFT ELECTRIC SUPPLY CO.,

Respondents.

BRIEF FOR RESPONDENTS IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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INDEX

	PAGE
INTRODUCTION	1
The Opinions Below	1
Questions Presented	2
CORRECTED STATEMENT OF THE CASE	2
ARGUMENT	5
1. No Issue as to 35 U. S. C. 103 Exists in This Case (Petitioner's Questions 1 and 2)	6
2. No Conflict Exists Between Courts of Appeals for the Third and Other Circuits as to the Rule of Law Applied by the Third Circuit in the Present Case	9
3. The Matter Here Is of No General Interest or Public Importance	11
4. Petitioner's Question III Is Fanciful	11
CONCLUSION	12

TABLE OF CITATIONS

Statute:

35 U. S. C. 103 ..... 2, 6, 7, 9, 10

Cases:

Eastern Venetian Blind Co. v. Acme Steel Co., 188 F. 2d 247 (4th Cir.) cert. denied, 342 U. S. 824 (1951) 10

Ever Klean Seat Pad Co. v. Firestone Tire & Rubber Co., 118 F. 2d 600 (8th Cir. 1941) 10

Fowler v. Honorbilt Products, Inc., 131 F. 2d 1523 (3rd Cir. 1942) 9

PAGE

General Foods Corp. v. Triangle Mfg. Co., 253 F. 2d 227 (7th Cir. 1958) 9

Griffith Rubber Mills v. Hoffar, 313 F. 2d 1 (9th Cir. 1963) 10

Haloro, Inc. v. Owens-Corning Fiberglas Corp., 288 F. 2d 148 (D. C. Cir. 1961) 10

Hotchkiss v. Greenwood, 52 U. S. (11 How.) 248 (1850) 5, 6, 9

J. R. Clark Co. v. Murray Metal Products Co., 219 F. 2d 313 (5th Cir. 1955) 10

Keller v. Adams-Campbell Co., 264 U. S. 314 (1924) 11

Layne & Bowler Corp. v. Western Well Works, Inc., 261 U. S. 387 (1923) 12

L. S. Donaldson Co. v. La Maur, Inc., 299 F. 2d 412 (8th Cir.) cert. denied, 371 U. S. 815 (1962) 10

Magnum Import Co. v. De Sportuno Coty, 262 U. S. 159, 163 (1923) 13

Mershon v. Sprague Specialties Co., 92 F. 2d 313 (1st Cir.) cert. denied, 304 U. S. 561 (1937) 10

Patrol Valve Co. v. Robertshaw-Fulton Controls Co., 210 F. 2d 146 (6th Cir. 1954) 9

Perma Fit Shoulder Pad Co. v. Best Made, etc., 218 F. 2d 747 (2nd Cir. 1955) 10

Pollard v. American Phenolic Corporation, 219 F. 2d 360 (4th Cir. 1955) 10

Sinclair & Carroll Co. v. Interchemical Co., 325 U. S. 327 (1945) 5, 9

U. S. Government Publications:

Official Gazette of the United States Patent Office, Vol. 782, No. 1 (July 1, 1958) and Vol. 803, No. 5 (June 30, 1964) 7

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INTRODUCTION

Contrary to the assertion by Petitioner (Petition, p. 3) this is an ordinary action for alleged patent infringement, in which the District Court correctly found the patent in suit to be not infringed, but denied a counterclaim seeking a declaratory judgment of invalidity (A-21). The Court of Appeals reversed on the issue of validity, holding the patent invalid, without disturbing the holding of non infringement (A-28). The patent expired on October 29, 1963.

The Opinions Below

The citation by Petitioner of the opinions below (Petition, p. 1) is somewhat incorrect. The opinion of the District Court is reported at 215 F. Supp. 3, 136 USPQ 617. The opinion of the Court of Appeals is reported at 332 F. 2d 236.

Questions Presented

The Record does not present the questions asserted in the petition.

A more accurately worded Question 1 would be:

> Should this Court overturn a decision holding a patent invalid where the Court of Appeals relied upon and applied a rule of patent law, which has uniformly been followed by this Court and the Courts of Appeals since 1850, both before and after the 1952 enactment of Title 35, Section 103, of the United States Code?

Question 2 is not presented by this case, since no departure from the statutory standard of patentable invention *in this case* appears or even is urged by Petitioner on this question.

Question 3 is fanciful and hypothetical; its stated premises are contrary to the express holding below.

CORRECTED STATEMENT OF THE CASE

The following statement is necessary to correct and supplement Petitioner's Statement of the Case.

The patent in suit is **not** "the basic patent on 'pre-insulated' electrical connectors," as Petitioner incorrectly asserts (Petition, p. 4); the District Court specifically found that "Watts . . . does not have the broad patent grant he thinks he has" (A-9 to A-10); and that the patent "is neither as basic, nor as broad, as urged in this litigation" (A-11), but is "a limited one" (A-21).*

* This casts some doubt upon Petitioner's assertion that its Statement of the Case "is based entirely upon findings of fact made by the District Court, which were not reversed on appeal" (Petition, p. 3, fn.).

The Court of Appeals agreed and went even further. It stated "Watts was not the first inventor in the field of pre-insulated electric connectors" (A-23).

Furthermore, Respondent Burndy did **not** copy or "plagiarize" the pre-insulated connectors from Petitioner, as Petitioner asserts (Petition, pp. 4-5, 12, 17). The District Court found that the prior-art "contains sufficient teachings which were available to defendant Burndy to make its own devices without becoming an infringer of Watts" (A-9) and that Respondent Burndy "uses only the prior art teachings" (A-20). It specifically held that there is "a fundamental difference" between the insulating sleeve materials used by the patentee Watts and by Respondent Burndy (A-15). It went on to hold that the material used by Respondent was "possibly as far as Burndy could go in commercial good faith in avoiding use of anything disclosed by Watts and still use an independent plastic" (A-15).* For these and other reasons, the District Court held the patent not infringed. The Court of Appeals did not disturb these findings.

Petitioner has not seen fit to tell this Court what is the supposed invention of the Watts patent in suit. In remedying that failure, Respondent respectfully calls this Court's attention to the succinct description given by the Court of Appeals as follows (A-23):

> "The patent in suit is for a pre-insulated electrical connector, a mechanical device for joining stripped end portions of two insulated wires so as to close the circuit effectively and provide a continuous insulated conductor. The Watts patent discloses a tubular metal ferrule within a closely fitting insulating rubbery plastic sleeve. The stripped ends of the wires to be con-

* See footnote, page 2

> nected are inserted in the ends of the hollow ferrule. External pressure is then applied, usually with a crimping die, to and through the plastic sleeve with sufficient force to compress and flatten the metal ferrule and the enclosed stripped wire ends into extensive lasting surface-to-surface contact."

The prior art Smith Patent No. 2,173,668, described by the Court of Appeals at A-24, discloses exactly the same structure, except that the material of the insulating sleeve is described by Smith as made of "insulating material such as rubber" instead of being made of an "insulating rubbery plastic" as in Watts.

As the Court of Appeals found, the patent in suit

> "disclosed nothing new except the substitution of 'tough, stiffly flexible plastic' for Smith's 'insulating material such as rubber'" (A-24).

All else was old and present in Smith.

The Court below found that the very material specified by the patentee Watts (a vinyl copolymer) had previously been found in the art, which disclosed:

> "that vinyl copolymers might advantageously be substituted for rubber" (A-27).

The Court also found that

> "The literature stressed the toughness of these products and pointed out that flexibility and other properties could be varied by the use of plasticizers" (A-27).

Thus, the obviously necessary properties of the insulating sleeve of Watts were all disclosed in the prior art, and that prior art directly suggested the substitution for

Smith's rubber of Watts' rubbery plastic material (vinyl copolymers) having just such properties.

On this record, the Court of Appeals correctly invoked the rule established by this Court over 100 years ago, in *Hotchkiss* v. *Greenwood*, 1850, 52 U. S. (11 How.) 248, and reaffirmed in 1945 in *Sinclair & Carroll Co.* v. *Interchemical Co.*, 325 U. S. 327, that, in the words of the Court of Appeals (A-27 to A-28):

> "the substitution of a superior material for an inferior one in a known device is not invention even though the new material more satisfactorily serves or performs the intended function of the old".

Under this rule, the Court of Appeals properly held the patent to be invalid.

ARGUMENT

This case thus turns upon its own facts and does not present any unsettled or disputed questions of law. All that is involved is a patent correctly held by the District Court to be not infringed, and correctly held to be invalid by the Court of Appeals.

No issue is presented which is likely to affect any other patent.

There is no conflict between circuits, and the action of the Court of Appeals below is in full accord with applicable decisions of this Court and of the Courts of Appeals.

There is no question of general interest or public importance.

As now shown, this case presents no special or important reasons justifying the extraordinary remedy of a writ of certiorari, and the petition should be denied because:

1. No issue as to 35 U. S. C. 103 exists in this case (Petitioner's Questions 1 and 2).

2. No conflict exists between Courts of Appeals for the Third and other Circuits as to the rule of law applied by the Third Circuit in the present case.

3. The matter here is of no general interest or public importance.

4. Petitioner's Question 3 is fanciful.

1. *No Issue as to 35 U. S. C. 103 Exists in This Case (Petitioner's Questions 1 and 2)*

The statute on which Petitioner seeks an interpretation by this Court, Section 103 of Title 35 of the United States Code, 1952 edition, was not even mentioned by the Court of Appeals below.

Petitioner purports to find a difference in the interpretation of this statute by (i) the First, Third, Fourth, Fifth, Sixth and Seventh Circuits, on the one hand, and (ii) the Second and District of Columbia Circuits, on the other hand (Petition, pp. 5-9). According to Petitioner, the first group of Courts have ruled that 35 U. S. C. 103 made no change in the law "then in effect" (*i.e.*, in 1952), while the second group felt that the same statute restored the rule of law to the less harsh form it had in 1850 in *Hotchkiss* v. *Greenwood*.* Implicit, but not stated, is the point that some change occurred between 1850 and 1952.

* Ironically, the Second Circuit has one of the lowest patent validity upholding records, by petitioner's statistics (Petition, p. 10).

However, the Court of Appeals in the present case specifically relied upon and applied *Hotchkiss* v. *Greenwood* (A-28).

Hence, Petitioner has had the full benefit of the supposedly more lenient rule, and is in no position to complain that, *in some other cases*, the Third Circuit may have invoked a "harsher standard of invention" (even if it actually did).

Petitioner does not even urge that, in the present case, the Court of Appeals applied a standard of patentable invention different from that of other circuits. It only tries to show that the Third Circuit, in *prior* cases, has had to find a number of patents invalid.

At pages 9 to 11, Petitioner brings forward an incomplete set of data in an attempt to show a non-uniform interpretation of the same statute, 35 U. S. C. 103, by the various Courts of Appeals.

Since the statute in question was enacted in 1952, it would appear that the entire period since 1952 should be relevant, if any is. Yet, the Third Circuit decisions are included for only six years, and the other circuits for only five years, raising an interesting speculation as to the reasons for the selection of these periods.

A possible answer to the speculation is the fact that, from 1953 to 1958 (when Petitioner's statistics begin) the Third Circuit adjudicated 12 patents as valid.* Also, during the year preceding the beginning of Petitioner's figures, the Seventh Circuit held 9 out of 12 patents invalid as against Petitioner's figure of 55.8% valid (Petition, p. 10).

It must be borne in mind that the statistical samples urged on this Court by Petitioner are fantastically small.

* Based upon Volumes 98 to 116 of the USPQ; there were a total of 22 actions in which 25 patents were also held invalid.

Six years ago (as of July 1, 1958) there were 594,449 patents in force.** Since then, to July 1, 1964, 297,828 more have been granted.† Out of this total of 892,277 patents, Petitioner seeks to derive conclusions from 31 patents (1/300th of one percent) held invalid by the Third Circuit. An equal number was held invalid by the Second Circuit, and only two less by the Ninth Circuit, in a *shorter* period, according to Petitioner's own figures (Petition, p. 10).

The attempt to reduce patents to statistical elements is superficially plausible, but actually fallacious. Patents are not like fungible goods, to be dealt with in bulk. Each patent is unique—else it would not have been issued at all. Each has its own attributes and its own weaknesses. Each patent is sui generis.

It is no more surprising that the Third Circuit should have held invalid 31 patents in six years than that the Second Circuit held 31 invalid in five years and the Ninth Circuit 29, also in five years. It is no more surprising that the Third Circuit held but one patent valid than that the Eighth Circuit also held but one patent valid, in like periods.

From such small samples, logically valid conclusions cannot be drawn.

At page 11 Petitioner asserts "there is no reason to assume that the patents involved in the suits brought in the Third Circuit are any better or any worse, on the average, than those involved in suits brought in other circuits".

** From Official Gazette of the U. S. Patent Office for July 1, 1958, Patent No. 2,843,793 was granted on July 1, 1958 and Patent No. 2,247,344 expired the same day.

† From Official Gazette of the U. S. Patent Office for June 30, 1964, Patent No. 3,139,621 was granted on June 30, 1964.

Deductions should not be drawn from supposed *absence* of reasons.

Actually, the patent *involved in the present suit* is obviously worse than many others, in that it was held to be "limited" and not infringed by the District Court, and held to be invalid over the prior art by the Court of Appeals on a rule of law uniformly applied for over 100 years. Even if *other* patents were no better or worse, on the average, Petitioner has no standing to request this Court to rectify possible *past* errors of the Third Circuit *in other cases*.

It is fundamental to our principles of jurisprudence that each case must be judged on its own merits. Judgment by statistical analysis is not a true judgment in any sense of the word. What has happened to thirty-one other patents is totally irrelevant to what happened in this action. Petitioner might just as well argue that, if this Court has denied certiorari in a hundred cases, it should grant certiorari here just on these statistics.

There is no issue here as to 35 U. S. C. 103 warranting review by this Court.

2. *No Conflict Exists Between Courts of Appeals for the Third and Other Circuits as to the Rule of Law Applied by the Third Circuit in the Present Case*

The Court of Appeals in the present case clearly stated the "general rule" upon which it relied at A-27 to A-28, as quoted above at page 5.

In addition to *Hotchkiss* v. *Greenwood*, the Court of Appeals explicitly relied upon the 1945 decision of this Court in *Sinclair & Carroll Co.* v. *Interchemical Co.*, 325 U. S. 327.

It also explicitly relied upon decisions to the same effect in the Seventh Circuit, Sixth Circuit and its own Circuit, as follows:

General Foods Corp. v. *Triangle Mfg. Co.*, 7th Cir., 1958, 253 F. 2d 227;

Patrol Valve Co. v. *Robertshaw-Fulton Controls Co.*, 6th Cir., 1954, 210 F. 2d 146;

Fowler v. *Honorbilt Products, Inc.*, 3d Cir., 1942, 131 F. 2d 153.

The Sixth and Seventh Circuit opinions were rendered after enactment of the statute here questioned by Petitioner.

The remaining Circuits are to the same effect,* both before and after the Patent Act of 1952, representative decisions being as follows:

Mershon v. *Sprague Specialties Co.*, 1st Cir., 1937, 92 F. 2d 313, cert. den. 304 U. S. 561;

Perma-Fit Shoulder Pad Co. v. *Best Made, etc.*, 2d Cir., 1955, 218 F. 2d 747;

Pollard v. *American Phenolic Corporation*, 4th Cir., 1955, 219 F. 2d 360;

Eastern Venetian Blind Co. v. *Acme Steel Co.*, 4th Cir., 1951, 188 F 2d 247, cert. den. 342 U. S. 824;

J. R. Clark Co. v. *Murray Metal Prod. Co.*, 5th Cir., 1955, 219 F. 2d 313;

L. S. Donaldson Co. v. *LaMaur, Inc.*, 8th Cir., 1962, 299 F. 2d 412, cert. den. 371 U. S. 815;

Ever-Klean Seat Pad Co. v. *Firestone Tire & Rubber Co.*, 8th Cir., 1941, 118 F. 2d 600;

Griffith Rubber Mills v. *Hoffar*, 9th Cir., 1963, 313 F. 2d 1;

Haloro Inc. v. *Owens-Corning Fiberglas Corp.*, D. C. Cir., 1961, 288 F. 2d 148.

Accordingly, any supposed "conflict" between the Courts of Appeals of the various Circuits is **not with respect to the**

* Except the Tenth Circuit, as to which no cases either pro or contra on this point have been found.

rule of law applied in this case. The standard of patentable invention, as set forth in Section 103 of Title 35, is not in issue here.

3. *The Matter Here Is of No General Interest or Public Importance*

As already noted, this is an ordinary patent infringement case, decided on a common point of patent law which this Court and the Courts of Appeals have followed since at least 1850.

The District Court held the patent in suit to be not infringed (A-21). The Court of Appeals found it unnecessary to go into that question (A-28). Petitioner has made no effort to overturn that holding here, which stands as an adjudication against it.

Hence, the present case involves a patent which is not infringed and which in addition has expired.

Moreover, as shown above in our Corrected Statement of the Case, the decision below is correct.

As this Court has said (*Keller v. Adams-Campbell Co.*, 264 U. S. 314, 319 (1924)):

> "Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this Court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of Appeal on the same patent."

No such necessity exists here.

4. *Petitioner's Question III Is Fanciful*

Petitioner's Question III suffers from the same infirmities as the other questions—a lack of basis on fact. It is a purely hypothetical question, substantially unrelated to this case.

In attempting to glorify its patent to the status of a "basic patent" which "revolutionized" an industry, Petitioner conveniently disregards the fact that prior art of record showed preinsulated electric connectors to be old, and that the patent was held lacking any invention. Petitioner bases its argument upon a fallacious comparison of the patent in suit with still *older* prior practice rather than with the pertinent prior art upon which the Court of Appeals based its decision.

Petitioner also repeats its charge of copying and plagiarizing (p. 12), in the face of the District Court's findings, not only of non-infringement, but that respondent's product is of a material which is "the direct opposite of the AMP vinyl" (A-13), having characteristics "at opposite poles" (A-14), with "a fundamental difference" (A-15), and "as far as Burndy could go" oppositely to the patent (A-15).

Acceptance of these findings of the District Court, as Petitioner purports to do (Petition, p. 3), demonstrates the complete fanciful and hypothetical character of this question. It affords no proper support to this petition.

CONCLUSION

The present petition is simply a pretext to obtain review of an ordinary holding of invalidity in an ordinary patent case.

No issues worthy of consideration by this Court exist.

As this Court said in *Layne & Bowler Corp.* v. *Western Well Works, Inc.*, 261 U. S. 387, 393 (1923):

> ". . . it is very important that we be consistent in not granting the writ of certiorari except in cases involving principles the settlement of which is of im-

portance to the public as distinguished from that of the parties, and in cases where there is a real and embarrassing conflict of opinion and authority between the circuit courts of appeal." The present case certainly comes under neith[er] head."

In *Magnum Import Co. v. De Sportano-Coty*, 262 U. S. 159, 163 (1923) this Court said further:

> "The jurisdiction" [to bring up cases by certiorari] "was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing."

The writ should be denied.

Respectfully submitted,

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